

For Immediate Release
March 25, 2009**Contact: NR 25-09-G**
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Board of Equalization Continues to Administer Tax and Fee Programs

275 Employees on Paid Administrative Leave due to Flooding

Work continues at the Board of Equalization headquarters building in downtown Sacramento despite the 8th and 9th floors remaining closed due to a water event that occurred last Sunday causing flooding. Approximately 275 employees are affected and on paid Administrative Time Off. Alternate work stations and telecommuting allow about 75 to 80 of those employees to continue to work.

The Board of Equalization brings in about \$55 billion annually from taxpayers that participate in any of the more than two dozen tax and fee programs it administers. With more than 4,000 workers total and about 2,200 that work in the Sacramento headquarters building, on a peak day more than \$100 million in checks will be processed in addition to any money that is sent in by taxpayers electronically.

The Department of General Services, who owns and maintains the BOE headquarters building, reports that during work to repair the damage caused by the water event of last Sunday, March 22, suspect mold was discovered inside the wall cavities on the first floor near the historical room, and on floors 2, 3, 6, 7 and 9 at the water damaged areas on the hallway side of the northwest stairwell, at the floor level. The preliminary conclusion from consultants is that the discovered mold inside the wall cavities may be the result of previous water intrusion.

DGS has advised the BOE that the areas have been taped over and contained until appropriate protocols and remediation steps can be taken to address the areas of concern. It is unknown at this time how long it will take to complete the repairs.

Work on the building will likely include the construction of containment areas before remediation can begin.

BOE has retained a hygienist consultant, Hygiene Technologies International, who remains onsite to conduct testing of the suspect locations and air quality throughout the building. The BOE headquarters building has a many years long history of water intrusion. Currently, 6 floors of the 24 story building remain closed due to remediation efforts following the discovery of mold on the 22nd, 23rd and 24th floors in the Fall of 2007. The 11th floor was closed to employees following a flood event in March of 2008.

More than \$29 million has been spent on building repairs in recent years, including \$15 million dollars to replace the seals around the approximately 4,500 windows included in the curtain wall skin of the building exterior.

The BOE is the original and sole tenant of the building and has been since it opened in 1993. Currently, the building is staffed at over capacity. BOE is working with DGS to find immediate space for 500 BOE headquarters employees in the Sacramento area. The Board has directed staff to look for alternate space that can eventually house all BOE headquarters staff.

The five-member California State Board of Equalization is a publicly elected tax board. The BOE collects more than \$53 billion annually in taxes and fees supporting state and local government services. It hears business tax appeals, acts as the appellate body for franchise and personal income tax appeals, and serves a significant role in the assessment and administration of property taxes.

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